

# MANAGEMENT MEMO

<b>SUBJECT:</b>  STATE PAYMENT CARD ACT (AB 1374)	<b>NUMBER:</b> 99-15
	<b>DATE ISSUED:</b>  10/08/99
<b>REFERENCES</b> Supersedes Management Memo 98-15. State Payment Card Act, Division 7, Title 1, Government Code, Chapter 2.6, Sections 6160 – 6165	<b>EXPIRES:</b>  10/08/2000
	<b>ISSUING AGENCY:</b> Department of General Services

This Management Memo announces the extension of Master Service Agreements (MSAs) for debit and credit card acceptance and processing.

## Visa and MasterCard processing

The Department of General Services (DGS) recommends that state agencies subscribe for Visa and MasterCard processing services from one of the three vendors listed below. Each subscription agreement may contain a particular set of terms and conditions to best meet the specific needs of each agency. These terms must comply with and meet all requirements of the codes and regulations of the State of California, and not conflict with the terms and conditions of the MSA.

The MSA with the following three vendors has been extended through November 13, 2000.

- American Heritage Bankcard/Imperial Bank
- Paymentech Merchant Services, Inc. (formerly known as First USA Merchant Services, Inc.)
- Discover Financial Services, Inc. (formerly known as NOVUS Services, Inc.)/First Data Merchant Services (FDMS)

## American Express and Discover processing

The following two vendors exclusively provide American Express and Discover Cards.

- American Express Establishment Services for American Express
- Discover Financial Services, Inc. for Discover Cards

The three Visa/MasterCard vendors listed above can also provide processing (authorization, capture and routing) for American Express and/or Discover Cards. Subscribers can therefore accept American Express and/or Discover Cards through the system provided by Visa/MasterCard vendor. Subscribers must, however, complete a separate subscription agreement and receive settlement directly from American Express and/or Discover Financial Services under the terms and conditions of proprietary MSAs.

The MSA with Discover Financial Services has been extended through December 7, 2000, and the MSA with American Express has been extended through November 21, 2000.

Effective Nov. 22, 1999, American Express' discount rate will be lowered to 2.20 percent with two-day pay from 2.37 percent with two-day pay.

Vendor contact information is attached and may also be found on the DGS homepage on the Internet at <http://www.dgs.ca.gov> or by contacting the Office of Fleet Administration at (916) 323-8016. Copies of the MSAs are available from the OFA, and staff is available to explain features and offer specific instructions for subscriptions.



CLIFF ALLENBY, Interim Director  
Department of General Services

CA:TB:KM

## **Vendor Contact Information for Debit and Credit Card MSAs**

### **American Express**

#### Existing contracts

Mr. Jeffery K. Hills  
Account Executive  
American Express Establishment Services  
705-2 East Bidwell Street, PMB #338  
Folsom, CA 95630  
Telephone: (800) 706-9135  
FAX: (800) 706-9135  
E-mail: jeff.hills@aexp.com

#### New contracts

Ms. Lynn B. Grubb  
Director, Government Services  
American Express Establishment Services  
141 Parfitt Way SW  
Bainbridge Island, WA 98110  
Telephone: (800) 404-7562  
FAX: (800) 404-7562  
E-mail: Lynn.Grubb@aexp.com

### **American Heritage Bankcard/Imperial Bank**

Ms. Barbara J. Harris  
Vice President  
American Heritage Bankcard  
9310 Topanga Canyon Blvd.  
Chatsworth, CA 91311  
Telephone: (818) 734-2910  
FAX: (818) 734-2989

### **Paymentech Merchant Services, Inc. (formerly First USA Merchant Services, Inc.)**

Mr. Karl J. Asplund  
Territory Manager  
Paymentech Merchant Services, Inc.  
18952 MacArthur Blvd., Suite 440  
Irvine, CA 92612  
Telephone: (949) 553-2660  
FAX: (949) 553-2666  
E-mail: kasplund@paymentech.com

### **Discover Financial Services, Inc./First Data Merchant Services (FDMS) and Discover Financial Services, Inc.**

Ms. Claire Mendonca  
Vice President, Government Relations  
Discover Financial Services, Inc.  
2500 Lake Cook Road, 2W  
Riverwoods, IL 60015  
Telephone: (800) 310-4740, Ext. 426 or (208) 939-4902  
FAX: (208) 938-1079  
E-mail: cmendonca@novusnet.com